

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:

Philadelphia Newspapers, LLC, et al.,

Debtors.

Chapter 11

Case No. 09-11204(JKF)

Jointly Administered

Philadelphia Newspapers, LLC, et al.,

Plaintiffs,

Adversary No. 09-00085(JKF)

V.

Alycia Lane, David Morgenstern, Thomas A. Burlington, Robert A. Brady, Myra Belle Miller, 401 Restaurant Associates, Alex Plotkin, James M. DeLeon, Marilyn DeLeon, John J. Dougherty, International Brotherhood of Electrical Workers, Local 98, Vahan H. Gureghian, Danielle Gureghian, Charter School Management, Inc., Richard Holmes, Gari Nan Brindle, Lourdes Hudson, R. Bradley Maule, James W. Robinson, Jr. and Harriet Hueitt,

Defendants.

**DEBTORS' MOTION TO EXPEDITE HEARING RELATING TO DEBTORS' MOTION
FOR A PRELIMINARY INJUNCTION AND A TEMPORARY RESTRAINING ORDER
PURSUANT TO 11 U.S.C. § 105(a) AND/OR FOR AN EXTENSION OF THE
AUTOMATIC STAY PURSUANT TO SECTION 362(a) OF THE BANKRUPTCY CODE**

Philadelphia Newspapers, LLC, Broad Street Video, LLC, Philadelphia Media, LLC, PMH Acquisition, LLC, Philadelphia Direct, LLC, Broad Street Publishing LLC, Philly Online, LLC, and PMH Holdings, LLC, (collectively, the “Debtors”), by and through their undersigned counsel, hereby respectfully request that this Court schedule an expedited hearing on their

Motion for a Preliminary Injunction and a Temporary Restraining Order (the “Preliminary Injunction Motion”) seeking an injunction and/or an extension of the scope of the automatic stay to include: (i) the Debtors’ holding company, Philadelphia Media Holdings, LLC (“PMH”); (ii) Brian Tierney, the Debtors’ CEO (the “CEO”); and (iii) certain employees of Debtor Philadelphia Newspapers, LLC (together, the “Non-Debtors”). In support of this Motion, the Debtors aver as follows:

Jurisdiction

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for the relief requested herein are section 105(a) and 362(a) of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 7065, 9006(d) and 9007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 5070-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Eastern District of Pennsylvania (the “Local Rules”).

Background

4. The Debtors own and operate numerous print and online publications in the Philadelphia market, including the Philadelphia Inquirer, the Philadelphia Daily News, several community newspapers, the local website, philly.com, and a number of related online products.
5. On February 22, 2009, (the “Petition Date”), each of the Debtors filed a voluntary petition for relief with the Court under chapter 11 of title 11 of the Bankruptcy Code.

6. Prior to the Petition Date, several litigation matters were filed against Debtor Philadelphia Newspapers, LLC, and in certain of those cases, plaintiffs brought claims against the Non-Debtors (the "Pre-Petition Litigation").

7. To the extent the Pre-Petition Litigation was brought against a Debtor, those actions are stayed by section 362(a) of the Bankruptcy Code and the plaintiffs therein are prevented from attempting to collect pre-petition debts from the Debtors.

8. On March 23, 2009, the Debtors filed an adversary complaint ("Complaint"), pursuant to sections 105(a) and 362(a) of the Bankruptcy Code seeking: (a) extension of the automatic stay under section 362(a) of the Bankruptcy Code; and/or (b) injunctive relief under section 105(a) of the Bankruptcy Code; to enjoin the Defendants from asserting claims or otherwise attempting to exercise remedies against the Non-Debtors.

9. The Defendants in this adversary proceeding are plaintiffs or cross claimants in the Pre-Petition Litigation who have asserted claims against one or more of the Non-Debtors.

10. The Defendants in the adversary proceeding likewise should be enjoined, under the Bankruptcy Code and the Federal Rules, from attempting to collect a pre-petition debt from the Non-Debtors because such efforts: (a) will have the effect of action against the Debtors themselves; (b) will cause significant interference with, and impairment of, the Debtors' efforts to reorganize; and (c) might give rise to indemnification and other claims that the Non-Debtors could assert against the Debtors.

11. On March 23, 2009, the Debtors also filed the Preliminary Injunction Motion.

Relief Requested

12. By this Motion, the Debtor respectfully requests that this Court schedule an expedited hearing on its Preliminary Injunction Motion on or before April 6, 2009.

Basis For Relief

13. As set forth more fully in the Preliminary Injunction Motion and Complaint, this case presents the requisite unusual circumstances that justifies extension of the automatic stay and demonstrates that the Debtors are entitled to injunctive relief.

14. An expedited hearing is needed because there are rapidly approaching deadlines in the Pre-Petition Litigation matters that will require the involvement of the General Counsel to Debtor Philadelphia Newspapers, LLC, Scott K. Baker, Esquire (the "General Counsel"), the Debtors' CEO, as well as reporters and other employees of Debtor Philadelphia Newspapers, LLC in burdensome discovery.

15. Many of the Pre-Petition Litigation matters are multi-party cases wherein written discovery will be extensive and dozens of depositions will be conducted.

16. In one such case, the parties have acknowledged that over thirty depositions are likely to be conducted before the discovery deadline of September 30, 2009, and Debtor Philadelphia Newspapers, LLC has been advised that the depositions will begin in April 2009.

17. The Debtors have also been advised that discovery will proceed against the Non-Debtors in other Pre-Petition Litigation matters.

18. If the Pre-Petition Litigation is permitted to proceed against the Non-Debtors, Debtor Philadelphia Newspapers, LLC, the CEO, the General Counsel, and various employees and reporters will undoubtedly be compelled to participate in the litigation in order to protect the Debtors' interests.

19. For these reasons, the Debtors respectfully request that this Court schedule an expedited hearing relating to its Preliminary Injunction Motion seeking an injunction and/or an extension of the scope of the automatic stay on or before April 6, 2009.

Consultation and Notice

20. In accordance with Local Rule 5070-1 the Debtors have consulted with the United States Trustee for the Eastern District of Pennsylvania prior to filing the Preliminary Injunction Motion and the Complaint with the Court. The United States Trustee does not object to the filing of the Complaint or the Preliminary Injunction Motion being considered at the April 6, 2009 hearing that is already scheduled in these cases.

21. The Debtors have notified counsel to all Defendants prior to filing this Motion, and have served a copy of the Preliminary Injunction Motion and the Complaint on Defendants via electronic mail.

22. Given the number of Defendants, it would not be practicable for the Debtors to confer individually with each of the attorneys for Defendants prior to filing this Motion.

23. In light of the nature of relief requested, the Debtors respectfully submit that no further notice is necessary.

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto scheduling a hearing on the Preliminary Injunction Motion on April 6, 2009, or as soon thereafter as the Court may direct.

Dated: March 23, 2009
Philadelphia, Pennsylvania

/s/ Lawrence G. McMichael

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